

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MOHD. SHAFI QURESHI): (a) Yes, the former Railway Minister had announced that the surplus cultivable railway land will be used for grow more food and other purposes by allotting such land to Railway employees.

(b) 12,446 hectares of surplus railway land was licensed to 26,027 employees as on 31-3-1972 and ' 12,685 hectares were allotted to 26,810 railway employees as on 31-3-1973.

(c) The scheme is working satisfactorily.

#### FOREIGN PHARMACEUTICAL FIRMS

27. SHRI KALI MUKHERIEE : Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether all the foreign pharmaceutical firms were licenced in India under the priority sector for the manufacture of life saving drugs; and

(b) whether the profit margin of these companies has gone up through the production of non-essential items and so also their quantum of foreign remittances?

THE DEPUTY MINISTER IN THE MINISTRY OF PETROLEUM AND CHEMICALS (SHRI DALBIR SINGH) : (a) Under the revised industrial licensing policy announced in February, 1970, industries were not classified as priority or non-priority for purposes of industrial licensing. They have been classified as (i) Core industries and (ii) Key industries for purposes of industrial licensing. Besides these two categories, some industries which were not included in the Core industries or in the Key Industries were categorised as priority industries. The priority industries include those to which priority would be given for the purpose of allocation of foreign exchange for import of capital goods. According to the above policy, essential Drugs and Pharmaceuticals (including intermediates and contraceptives) are included in the list of Key Industries.

Under the revised Industrial Licensing Policy which came into force on the 16th February, 1973, all undertakings owned by foreign companies, their branches or subsidiaries or by companies in respect of which more than 50 per cent of the paid up equity share capital is held directly or indirectly by foreign companies, their branches or subsidiaries, or by foreign nationals or non-resident Indians are required to be in possession of Industrial licences within six months from the date of issue of the notification.

(b) At present the prices of drugs and medicines are controlled under the Drugs (Prices Control) Order, 1970; while there is no price control on non drug items. It is likely that the profits of the company have shown increase mainly *on* account of non drug activity. But as far as drugs and pharmaceuticals are concerned, the preliminary assessment of the working in respect of 34 foreign firms reveals the following :

	1969	1971
<b>Profitability on sales turnover of formulations</b>	18.80p.c.	11.10p.c.
<b>Profitability on capital employed</b>	19.09p.c.	16.48p.c.

The information regarding foreign remittances in the years 1969, 1970 and 1971 by foreign firms engaged in manufacture of drugs has been furnished in reply to Starred Question No. 278 answered in the Rajya Sabha on 5th March, 1973.

#### SERVICES CONDITIONS OF EXECUTIVES AND OFFICERS OF PRIVATE FRFMS

28. SHRI DEBANANDA AMAT : Will the Minister of LAW IUSTICE AND COMPANY AFFAIRS be pleased to state :

(a) Whether it is proposed to ensure statutorily the security of service and to

lay down the service conditions of the executives and other officers of private firms and companies in India ; and

(b) if so, the main features of the proposal?

THE MINISTER OF STATE, IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI D. R. CHAVAN): (a) and (b) The Companies Act, 1956 regulates the appointment of, and remuneration payable to the directors and managers as defined in sub-sections (24) and (26) of Section 2 thereof, in public limited companies or private limited companies which are subsidiaries of public limited companies or private companies deemed to be public companies under section 43A of the Act only. There is no proposal to amend the Companies Act to enlarge the scope of these provisions so as to cover the persons other than managerial personnel,

However, the definition of 'workman' as contained in Section 2(s) of the Industrial Disputes Act, 1947 is restricted to workmen drawing wages less than Rs. 500/- per month and it does not apply to persons employed mainly in managerial or administrative capacity or to supervisory staff. The question whether this definition of 'workman' should be redefined for enlarging its scope to cover all or any of the other categories of employees is a matter for the Ministry of Labour and Employment to consider.

#### COMPANIES CONTROLLED BY MONOPOLY HOUSES

29. SHRIMATI PRATIBHA SINGH:

SHRI VENIGALLA SATYANARAYANA:

Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state :

(a) the total number of companies in which the Monopoly Houses have a controlling interest: and

(b) the total value of the assets of these companies as shown in their balance sheets?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI D. R. CHAVAN): (a) and (b) the requisite information is given in the statement annexed.

#### STATEMENT

The term 'monopoly house' has not been defined in the Monopolies and Restrictive Trade Practices Act or in any other legislation. Presumably, what the Hon'ble Member has in mind are the undertakings which are covered by Chapter III of the M.R.T.P. Act relating to the concentration of economic power. It may be indicated that the new industrial licensing policy announced on February 2, 1973 also states that the definition of larger industrial houses to be adopted for licensing restrictions should be in conformity, in all respects, with that adopted in the M.R.T.P. Act in 1969. Section 20 of the M.R.T.P. Act lays down the undertakings which are covered by the provisions of Chapter III of this Act. According to this Section, this Chapter applied to :—

(a) an undertaking if the total value of :—

(i) its own assets or,

(ii) its own assets together with the assets of inter-connected undertakings is not less than Rs. 20 crores; and

(b) a dominant undertaking the value of whose assets or the sum total of the value of the assets of all its inter connected undertakings is not less than Rs. 1 crore.

It is significant that this Section also does not use the terms 'monopoly house' but only the expression "Inter-connected